

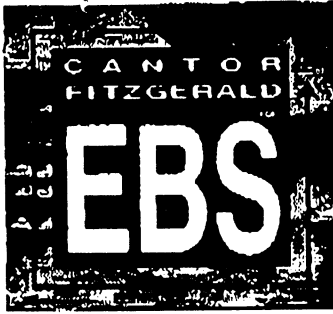
**ATTACHMENT 1**  
**DATA REQUEST NO. 1**

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**RECENTLY ACQUIRED ERC CERTIFICATES**

**RESPONSE TO DATA REQUESTS**  
**MARCH 8, 2001**

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# **CANTOR FITZGERALD BROKERAGE, L. P. ENVIRONMENTAL BROKERAGE SERVICES**

Los Angeles/San Francisco/New York  
Phone (800) 228-2955 • Fax (415) 296-9582

**TRANSACTION CONFIRMATION  
CONTINUOUS CLEAN AIR AUCTION  
NRG-PM10-121500**

**Buyer**

**Company:** NRG Power Marketing Inc.  
901 Marquette Ave., Suite 2300  
Minneapolis, MN 55402

**Contact:** Jim Karalus

**Phone Number:** 612-373-5307; 612-889-3509 (cell)

**Fax Number:** 612-373-8686

**Counter Party:** Kenny Sandblasting

**Order and Transaction Date:** 12/15/00

**Type of Transaction:** SCAQMD PM10 ERC Purchase

**ERCs Purchased:** 7 lbs/day, Coastal Zone, PM10 ERCs @ \$10,000/lb/day

**Balance due Cantor Fitzgerald:** \$73,187.58 (see schedule below for detail)

## **Calculation of Purchase Price and Fees:**

|   |             |
|---|-------------|
| ERC Costs (7 lbs/day @ \$10,000 lb/day):              | \$70,000.00 |
| Clean Air Auction Fee (REDACTED):                     | REDACTED    |
| SCAQMD Fee: ERC Change of Title -\$368.79/certificate | \$368.79    |
| ERC Alteration - \$368.79/certificate                 | \$368.79    |
| <b>Total Costs:</b>                                   | REDACTED    |

*This transaction, its terms, and the identities of Buyer and Seller shall be private and confidential. Buyer and Seller shall execute a mutually acceptable purchase and sale agreement. ERC Transfer paperwork shall be submitted as soon as practicable after 01/01/01, and ERC payment monies are to be paid by Buyer to Seller upon Buyer's receipt of the ERCs in Buyer's name. Buyer's or Seller's failure to comply with the terms of the purchase and sale agreement may result in a finding of default against the non-performing party.*

Subject to the execution of a mutually acceptable purchase and sale agreement with Seller, NRG Power Marketing agrees to purchase 7 lbs/day of PM10 ERCs for \$70,000.

Authorized Name

Signature

Date

**Thank You For Participating in Cantor Fitzgerald's Clean Air Auction!**

## AGREEMENT FOR PURCHASE AND SALE OF EMISSION REDUCTION CREDITS

THIS AGREEMENT is made this 18th day of December, 2000 by and between Keruy Sandblasting a Corporation ("Seller"), and NRG Power Marketing Inc., a Delaware Corporation ("Buyer").

WHEREAS, Seller is the owner of 7 pounds per day ("lbs/day") of coastal zone particulate matter with an aerodynamic diameter of 10 microns or less ("PM10") emission reduction credits ("ERCs") ("the ERCs") which are defined in and governed by Regulation XIII of the South Coast Air Quality Management District (the "SCAQMD").

WHEREAS, Buyer desires to purchase from Seller and Seller desires to sell to Buyer the ERCs.

AND WHEREAS, both parties desire to fully consummate this purchase and sale, and cause transfer of the ERCs as soon as they reasonably can do so.

1. **Purchase and Sale of the ERCs.** Seller shall sell to Buyer, and Buyer shall purchase from Seller the ERCs.

2. **Transfer of Ownership of the ERCs.** Immediately upon Seller's receipt of the payment referred to in Paragraph 3 below, the ERCs shall become the sole property and entitlement of Buyer. Except as provided in Paragraph 4 below, upon the payment of monies provided for in Section 3 below of this Agreement and upon Buyer's receipt of documentation evidencing that the ERCs have been transferred to Buyer, Buyer shall have no recourse against Seller in the event of change of law governing the ERCs.

3. **Purchase Price.** The Purchase Price for the ERCs is \$10,000 lb/day for the PM10 ERCs for a total of \$70,000.00.

4. **Purchase Price Payment.** Providing that Buyer and Seller have received Buyer and Seller signed copies of this Agreement, by January 10, 2001, Buyer or Buyer's Agent shall deliver the completed ERC transfer paperwork to the SCAQMD to effect the transfer of the ERCs from Seller to the Buyer. Within 5 days of receipt of SCAQMD-provided documentation that evidences the transfer of the ERCs from Seller to Buyer, Buyer shall wire the Purchase Price to Seller per Seller's instructions. In the event that at any time prior to the issuance by SCAQMD of the documentation that evidences the transfer of the ERCs from Seller to Buyer, the ERCs cease, for any reason, including any change in legislation or the SCAQMD Rules, beyond the reasonable control of the parties, to be the ERCs tradeable in accordance with the SCAQMD Rules as they exist as of the date of this Agreement, then Buyer may terminate this Agreement without any liability or obligation to any party. After the ERCs are transferred to Buyer, in the event that the SCAQMD provides written notification to the parties that the ERCs were issued in error to Seller by the SCAQMD, Seller shall refund the Purchase Price to Buyer within 10 days of Seller's receipt of such notification and Buyer shall take steps necessary to deliver the ERCs to Seller.

5. **Brokerage.** Buyer and Seller agree to pay Cantor Fitzgerald Brokerage, LP's (CF's) Clean Air Auction fee as stipulated in their respective transaction confirmations and to pay such fees simultaneous with transfer of the Purchase Price to Seller. Buyer represents and warrants to Seller, and Seller represents and warrants to Buyer that, aside from CF, no broker or finder has been engaged by it, respectively, in connection with this Agreement. Each party shall indemnify and hold harmless the other from all damages resulting from any claims that may be asserted against the other party by any broker, finder, or other person with whom the indemnifying party has dealt.

6. **Warranty.** Seller warrants Seller is the sole owner of record of the ERCs that will be transferred to Buyer free and clear of all encumbrances. Seller, moreover, has all necessary approvals to sell

December 18, 2000

12-18-00 03:37PM FROM-CANTOR FITZGERALD EBS

Kenny Sandblasting/NRG Power Marketing  
ERC Purchase and Sale Agreement  
December 18, 2000  
Page 2

the ERCs to Buyer.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument, and may be executed by facsimile copy.

8. Additional Documents. At the request of either party, the other party shall use reasonable commercial efforts to execute and deliver such additional documents and do such other acts as may be necessary to carry out the full intent and purpose of this Agreement.

9. Notice. All notices and other communications in connection with this Agreement shall be sent to the following addresses: (a) For Buyer: NRG Power Marketing Inc, 901 Marquette Avenue, Suite 2300, Minneapolis, MN 55402, Attention: James Karalus, Telephone No.: (612)373-5307, Facsimile No.: (612)373-8686; For Seller: Kenny Sandblasting, 9625 Rush Street, South El Monte, CA, Attention: Jerry Shapiro, Telephone No.: (626)443-8876, Facsimile No.: (612)444-1946; with a copy to Cantor Fitzgerald Brokerage, L.P., Environmental Brokerage Services, 345 California Street, Suite 1260, San Francisco, CA 94104, Attention: Robin Langdon, Telephone No.: (800)228-2955, Facsimile No.: (415)296-9582.

10. Entirety. This Agreement sets forth the entire agreement of the parties with respect to the matters contained herein and all prior understandings, negotiations, and agreements with respect to same are merged herein.

11. Assignees. Buyer and Seller may assign their rights, duties and obligations pursuant to this Agreement. The party assigning its rights to another must notify the other party in writing of such transfer of rights, duties, and obligations prior to the completion of the final transaction of this Agreement.

12. Applicable Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.

Executed as of the date first above written.

By James Karalus 1/9/01  
NRG Power Marketing Inc, Buyer Date

By Jerry Shapiro, Kenny Sandblasting 12-17-2000  
Kenny Sandblasting, Seller Date

# *Kenny Sandblasting Inc.*

9625 East Rush Street So. El Monte, CA 91733-1782 (818) 443-8876

December 27, 2000

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**PM10 ERC Sale/Cantor Fitzgerald  
Acting on Behalf of Kenny Sandblasting**

Dear Mr. Barroca:

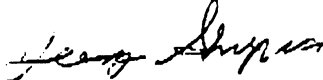
Please accept this package to transfer 7 pounds per day (lbs/day) of Kenny Sandblasting Inc.'s PM10 ERCs from ERC Certificate Number AQ000210 to NRG Power Marketing Inc. (NRG).

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of Kenny Sandblasting Inc. in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at (626)443-8876.

Sincerely,

KENNY SANDBLASTING, INC



Jerry Snapio  
Authorized Representative

cc: Robin Langdon, Cantor Fitzgerald

# APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE FORM 401

ERC APPLICATION TYPE: ☐ NEW ☐ CHANGE OF TITLE ☒ ALTERATION

## INFORMATION REQUIRED FOR A NEW ERC

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_

EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
 DATE OF REDUCTION (mo/day/year): \_\_\_\_/\_\_\_\_/\_\_\_\_

## INFORMATION FOR CHANGE OF TITLE OR ALTERATION

NAME AS IT APPEARS ON ERC CERTIFICATE: Kenny Sandblasting Inc.

| EXISTING ERC CERTIFICATE NO. <u>AQ000210</u> | ROG | NOx | SOx | CO | PM10 |
|--|-----|-----|-----|----|------|
| EXISTING EMITTANT AMOUNT (lbs/day)           |     |     |     |    | 17   |
| ALTERED EMITTANT AMOUNT (lbs/day)            |     |     |     |    | 7    |
| REMAINING EMITTANT AMOUNT (lbs/day)          |     |     |     |    | 10   |

## FACILITY INFORMATION

LEGAL NAME OF APPLICANT: Kenny Sandblasting Inc. COMPANY ID NO. 85-4288387 ☐ IRS OR ☐ SOCIAL SECURITY NO.

EMISSION REDUCTION LOCATION: ADDRESS & STREET: 9625 E. Rush Street  
 CITY: South El Monte STATE: CA ZIP CODE: 91733

BUSINESS MAILING ADDRESS ADDRESS & STREET: SAME  
 CITY: \_\_\_\_\_ STATE: CA ZIP CODE: \_\_\_\_\_

LOCATION WHERE ERC WILL BE ADDRESS & STREET: N/A  
 USED FOR OFFSET (IF KNOWN) CITY: \_\_\_\_\_ STATE: CA ZIP CODE: \_\_\_\_\_

NAME(S) OF OWNER/PRINCIPAL PARTNERS: KEITH SHAPIRO, JERRY SHAPIRO  
 CONTACT PERSON AND TITLE: Jerry Shapiro TELEPHONE NO.: (626)443-8876

DO YOU CLAIM CONFIDENTIALITY OF DATA? ☐ YES ☐ NO If Yes, state nature of data: \_\_\_\_\_

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: [Signature] TITLE: VICE PRESIDENT, PRESIDENT

TYPE OR PRINT NAME OF SIGNER: JERRY SHAPIRO, KEITH SHAPIRO TELEPHONE NO.: (626)443-8876 DATE: 12-31-2000

|                      |            |      |                  |                 |
|----------------------|------------|------|------------------|-----------------|
| SCAMP<br>USE<br>ONLY | CO ID NO.  | BCAT | ENGR             | UNIT            |
|                      |            | CCAT | TYPE: B C D      | SCH/STEP        |
| VALIDATION:          | FILING FEE | DATE | REGISTRATION NO. | APPLICATION NO. |



NRG Power Marketing Inc.  
901 Marquette Avenue  
Suite 2300  
Minneapolis, MN  
55402-3285

Telephone (612) 373-5307  
Fax (612) 373-8886

January 11, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**PM10 ERC Sale/Cantor Fitzgerald**  
**Acting on Behalf of NRG Power Marketing**

Dear Mr. Barroca:

Please accept this package to transfer 7 pounds per day (lbs/day) of Kenny Sandblasting Inc.'s PM10 ERCs from ERC Certificate Number AQ000210 to NRG Power Marketing Inc. (NRG).

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of NRG in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package. In addition, please provide notice to Cantor Fitzgerald when a new ERC Certificate for 7 lbs/day of PM10 ERCs is issued to NRG Power Marketing.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at (612)373-5307.

Sincerely,

NRG POWER MARKETING, INC

A handwritten signature in black ink, appearing to read "James Karalus".  
James Karalus  
Authorized Representative

cc: Robin Langdon, Cantor Fitzgerald

APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401ERC APPLICATION TYPE: ☐ NEW ☒ CHANGE OF TITLE ☐ ALTERATION

## INFORMATION REQUIRED FOR A NEW ERC

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
DATE OF REDUCTION (mo/day/year): \_\_\_\_ / \_\_\_\_ / \_\_\_\_

## INFORMATION FOR CHANGE OF TITLE OR ALTERATION

NAME AS IT APPEARS ON ERC CERTIFICATE: Kenny Sandblasting Inc.

| EXISTING ERC CERTIFICATE NO.: AQ000210 | ROG | NOx | SOx | CO | PM10 |
|--|-----|-----|-----|----|------|
| EXISTING EMITTANT AMOUNT (lbs/day)     |     |     |     |    |      |
| ALTERED EMITTANT AMOUNT (lbs/day)      |     |     |     |    | 7    |
| REMAINING EMITTANT AMOUNT (lbs/day)    |     |     |     |    |      |

## FACILITY INFORMATION

LEGAL NAME OF APPLICANT: COMPANY ID NO.: 411910737 ☐ IRS OR ☐ SOCIAL SECURITY NO.

NRG Power Marketing Inc.

EMISSION REDUCTION LOCATION: ADDRESS &amp; STREET: 9625 E. Rush Street

CITY: South El Monte

STATE: CA

ZIP CODE: 91733

BUSINESS MAILING ADDRESS: ADDRESS &amp; STREET: 901 Marquette Avenue, Suite 2300

CITY: Minneapolis

STATE: MN

ZIP CODE: 55402

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS &amp; STREET: 301 Vista Del Mar

CITY: El Segundo

STATE: CA

ZIP CODE: 90245

NAME(S) OF OWNER/PRINCIPAL PARTNERS: NRG Power Marketing Inc.

CONTACT PERSON AND TITLE:

James Karalus

TELEPHONE NO.:

(612)373-5307

DO YOU CLAIM CONFIDENTIALITY OF DATA? ☐ YES ☒ NO If Yes, state nature of data: \_\_\_\_\_

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus

TITLE: Manager Emissions

TYPE OR PRINT NAME OF SIGNER:

James Karalus

TELEPHONE NO.:

(612)373-5307

DATE:

|                 |            |       |              |      |
|-----------------|------------|-------|--------------|------|
| SCA000          | CO ID NO   | ECAT  | ENCR         | DATE |
| ONLY            | ONLY       | ONLY  | ONLY         | ONLY |
| VALIDATION      | FILING FEE | NOTES | REGISTRATION | DATE |
| APPLICATION NO. |            |       |              |      |





February 13, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182  
Telefax: (909)396-2461

Recent PM10 ERC Transfer

Dear Mr. Barroca:

Per our conversation, we understand that the following PM10 ERC transfer has been completed by the SCAQMD:

✓  
AQ003461

Kenny Sandblasting Inc.'s transfer of 7 lbs/day of PM10 ERCs to NRG Power Marketing Inc., as reflected by NRG Power Marketing Inc.'s new ERC Certificate No. ~~AQ003459~~ for 7 lbs/day of PM10 ERCs and Kenny Sandblasting Inc.'s revised ERC Certificate No. AQ003459 For 10 lbs/day of PM10 ERCs.

This letter serves as confirmation to the above parties that the transaction has been completed by the SCAQMD. Thank you for your assistance. If any questions arise, please feel free to call me at (800)228-2955.

Sincerely,

CANTOR FITZGERALD BROKERAGE, L.P.

*Robin S. Langdon*

Robin S. Langdon  
Vice President  
Environmental Brokerage Services

*Phil Barroca*  
Phil Barroca  
Air Quality Engineer II

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345 California Street  
Ste 1750  
San Francisco, CA 94104  
415.298.8873  
800.228.2955  
415.298.8882 Fax



LA ERC 11, 12, & 13

**CANTOR FITZGERALD BROKERAGE, L. P.  
ENVIRONMENTAL BROKERAGE SERVICES**

Los Angeles/San Francisco/New York  
Phone (800) 228-2955 • Fax (415) 296-9582

**TRANSACTION CONFIRMATION  
CONTINUOUS CLEAN AIR AUCTION**

**NRG-ERC-121500aa**

(replaces NRG-ERC-121500a due to additional \$368.79 fee)

**Buyer**

**Buyer Company:** NRG Power Marketing Inc.  
901 Marquette Ave., Suite 2300  
Minneapolis, MN 55402

**Contact:** Jim Karalus

**Phone Number:** 612-373-5307; 612-889-3509 (cell)

**Fax Number:** 612-373-8686

**Seller Company:** Multi Fuels Marketing

**Order and Transaction Date:** 12/15/00

**Type of Transaction:** SCAQMD PM10, SOx, and NOx ERC Purchase

**ERCs Purchased:** 2 lbs/day, Coastal Zone, PM10 ERCs @ \$10,000/lb/day  
2 lbs/day, Coastal Zone, SOx ERCs @ \$4,250/lb/day  
4 lbs/day, Coastal Zone, NOx ERCs @ \$7,250/lb/day

**Calculation of Purchase Price and Fees:**

|   |             |
|---|-------------|
| ERC Costs:                                  | \$57,500.00 |
| Clean Air Auction Fee (3.5%):               | [REDACTED]  |
| SCAQMD Fees – 4 x \$368.79 (paid by Buyer): | \$1,475.16  |
| Total Costs:                                | [REDACTED]  |

*This transaction, its terms, and the identities of Buyer and Seller shall be private and confidential. Buyer and Seller shall execute a mutually acceptable purchase and sale agreement. ERC Transfer paperwork shall be submitted as soon as practicable after 01/01/01, and ERC payment monies are to be paid by Buyer to Seller upon Buyer's receipt of the ERCs in Buyer's name. Buyer's failure to comply with the terms of the agreement may result in a finding of default against the non-performing party.*

Subject to the execution of a mutually acceptable purchase and sale agreement with Seller, NRG Power Marketing agrees to purchase 2 lbs/day of PM10 ERCs, 2 lbs/day SOx ERCs, and 4 lbs/day NOx ERCs for \$57,500.

Authorized Name

Signature

Date

**Thank You For Participating in Cantor Fitzgerald's Clean Air Auction!**

**AGREEMENT FOR PURCHASE AND SALE OF  
EMISSION REDUCTION CREDITS**

THIS AGREEMENT is made this 18th day of December, 2000 by and between Multi Fuels Marketing a Delaware Corporation ("Seller"), and NRG Power Marketing Inc., a Delaware Corporation ("Buyer").

WHEREAS, Seller is the owner of 2 pounds per day ("lbs/day") of coastal zone particulate matter with an aerodynamic diameter of 10 microns or less ("PM10") emission reduction credits ("ERCs"), 2 lbs/day of coastal zone oxides of sulfur ("SOx") ERCs, and 4 lbs/day of coastal zone nitrogen oxides ("NOx") ERCs (collectively "the ERCs") which are defined in and governed by Regulation XIII of the South Coast Air Quality Management District (the "SCAQMD").

WHEREAS, Buyer desires to purchase from Seller and Seller desires to sell to Buyer the ERCs.

AND WHEREAS, both parties desire to fully consummate this purchase and sale, and cause transfer of the ERCs as soon as they reasonably can do so.

1. **Purchase and Sale of the ERCs.** Seller shall sell to Buyer, and Buyer shall purchase from Seller the ERCs.

2. **Transfer of Ownership of the ERCs.** Immediately upon Seller's receipt of the payment referred to in Paragraph 3 below, the ERCs shall become the sole property and entitlement of Buyer. Except as provided in Paragraph 4 below, upon the payment of monies provided for in Section 3 below of this Agreement and upon Buyer's receipt of documentation evidencing that the ERCs have been transferred to Buyer, Buyer shall have no recourse against Seller in the event of change of law governing the ERCs.

3. **Purchase Price.** The Purchase Price for the ERCs is \$10,000 lb/day for the PM10 ERCs, \$4,250 lb/day for the SOx ERCs, and \$7,250 lb/day for the NOx ERCs for a total of \$51,500.00. *o/c*

4. **Purchase Price Payment.** Providing that Buyer and Seller have received Buyer and Seller signed copies of this Agreement, by January 10, 2001, Buyer or Buyer's Agent shall deliver the completed ERC transfer paperwork to the SCAQMD to effect the transfer of the ERCs from Seller to the Buyer. Within 5 days of receipt of SCAQMD-provided documentation that evidences the transfer of the ERCs from Seller to Buyer, Buyer shall wire the Purchase Price to Seller per Seller's instructions. In the event that at any time prior to the issuance by SCAQMD of the documentation that evidences the transfer of the ERCs from Seller to Buyer, the ERCs cease, for any reason, including any change in legislation or the SCAQMD Rules, beyond the reasonable control of the parties, to be the ERCs tradable in accordance with the SCAQMD Rules as they exist as of the date of this Agreement, then Buyer may terminate this Agreement without any liability or obligation to any party. After the ERCs are transferred to Buyer, in the event that the SCAQMD provides written notification to the parties that the ERCs were issued in error to Seller by the SCAQMD, Seller shall refund the Purchase Price to Buyer within 10 days of Seller's receipt of such notification and Buyer shall take steps necessary to deliver the ERCs to Seller.

5. **Brokerage.** Buyer and Seller agree to pay Cantor Fitzgerald Brokerage, LP's (CF's) Clean Air Auction fee as stipulated in their respective transaction confirmations and to pay such fees simultaneous with transfer of the Purchase Price to Seller. Buyer represents and warrants to Seller, and Seller represents and warrants to Buyer that, aside from CF, no broker or finder has been engaged by it, respectively, in connection with this Agreement. Each party shall indemnify and hold harmless the other from all damages resulting from any claims that may be asserted against the other party by any broker, finder, or other person with whom the indemnifying party has dealt.

December 18, 2000

6. **Warranty.** Seller warrants Seller is the sole owner of record of the ERCs that will be transferred to Buyer free and clear of all encumbrances. Seller, moreover, has all necessary approvals to sell the ERCs to Buyer.

7. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument, and may be executed by facsimile copy.

8. **Additional Documents.** At the request of either party, the other party shall use reasonable commercial efforts to execute and deliver such additional documents and do such other acts as may be necessary to carry out the full intent and purpose of this Agreement.

9. **Notice.** All notices and other communications in connection with this Agreement shall be sent to the following addresses: (a) For Buyer: NRG Power Marketing Inc, 901 Marquette Avenue, Suite 2300, Minneapolis, MN 55402, Attention: James Karalus, Telephone No.: (612)373-5307, Facsimile No.: (612)373-8686; For Seller: Multi Fuels Marketing, 7500 San Felipe, Suite 975, Houston, Texas 77063, Attention: Tom Plouffe, Telephone No.: (832)251-0823, Facsimile No.: (713)975-9842; with a copy to Cantor Fitzgerald Brokerage, L.P., Environmental Brokerage Services, 345 California Street, Suite 1260, San Francisco, CA 94104, Attention: Robin Langdon, Telephone No.: (800)228-2955, Facsimile No.: (415)296-9582.

10. **Entirety.** This Agreement sets forth the entire agreement of the parties with respect to the matters contained herein and all prior understandings, negotiations, and agreements with respect to same are merged herein.

11. **Assignees.** Buyer and Seller may assign their rights, duties and obligations pursuant to this Agreement. The party assigning its rights to another must notify the other party in writing of such transfer of rights, duties, and obligations prior to the completion of the final transaction of this Agreement.

12. **Applicable Law.** **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

Executed as of the date first above written.

By James Karalus 1-9-01  
NRG Power Marketing Inc, Buyer Date

By TCR 12/18/00  
Multi Fuels Marketing, Seller Date



NRG Power Marketing Inc.  
901 Marquette Avenue  
Suite 2300  
Minneapolis, MN  
55402-3285

Telephone (612) 373-5307  
Fax (612) 373-8688

January 11, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**PM10, SOx, and NOx ERC Sale/Cantor Fitzgerald  
Acting on Behalf of NRG Power Marketing**

Dear Mr. Barroca:

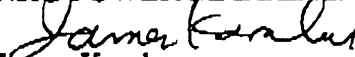
Please accept this package to transfer 2 pounds per day (lbs/day) of Multi Fuels Marketing's PM10 ERCs from ERC Certificate Number AQ00 2660, 2 pounds per day (lbs/day) of Multi Fuels Marketing's SOx ERCs from ERC Certificate Number AQ00 0151 100357, and 4 pounds per day (lbs/day) of Multi Fuels Marketing's NOx ERCs from ERC Certificate Number AQ00 0832 to NRG Power Marketing Inc. (NRG).

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of NRG in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package. In addition, please provide notice to Cantor Fitzgerald when a new ERC Certificate for 2 lbs/day of PM10 ERCs, 2 lbs/day SOx ERCs, and 4 lbs/day NOx ERCs are issued to NRG Power Marketing.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at (612)373-5307.

Sincerely,

NRG POWER MARKETING, INC

  
James Karalus  
Authorized Representative

cc: Robin Langdon, Cantor Fitzgerald

**CANTON**  
*Pilgrimage* 

### Recent NOx, PM10, and SOx ERC Transfers

348 California Street  
Ste 1200  
San Francisco, CA 94104  
415.224.8573  
800.228.2955  
415.228.8573 Fax

ERC APPLICATION TYPE:        NEW   X   CHANGE OF TITLE        ALTERATION

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_

EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
DATE OF REDUCTION (mo/day/year): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

|  |     |     |     |    |      |
|--|-----|-----|-----|----|------|
| NAME AS IT APPEARS ON ERC CERTIFICATE: Multi Fuels Marketing |     |     |     |    |      |
| EXISTING ERC CERTIFICATE NO.: AQ000832                       | ROG | NOx | SOx | CO | PM10 |
| EXISTING EMITTANT AMOUNT (lbs/day)                           |     |     |     |    |      |
| ALTERED EMITTANT AMOUNT (lbs/day)                            |     | 4   |     |    |      |
| REMAINING EMITTANT AMOUNT (lbs/day)                          |     |     |     |    |      |

|  |  |                                      |                        |
|--|--|--------------------------------------|------------------------|
| LEGAL NAME OF APPLICANT: COMPANY ID NO.: <u>411910737</u>  |  | ____ IRS OR ____ SOCIAL SECURITY NO. |                        |
| <u>NRG Power Marketing Inc.</u>  |  |                                      |                        |
| EMISSION REDUCTION LOCATION: ADDRESS & STREET: _____   |  |                                      |                        |
| CITY: _____  |  | STATE: CA                            | ZIP CODE: _____        |
| BUSINESS MAILING ADDRESS: ADDRESS & STREET: <u>901 Marquette Avenue, Suite 2300</u>  |  |                                      |                        |
| CITY: <u>Minneapolis</u>   |  | STATE: MN                            | ZIP CODE: <u>55402</u> |
| LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: <u>301 Vista Del Mar</u>                              |  |                                      |                        |
| CITY: <u>El Segundo</u>  |  | STATE: CA                            | ZIP CODE: <u>90245</u> |
| NAME(S) OF OWNER/PRINCIPAL PARTNERS: <u>NRG Power Marketing, Inc</u>   |  |                                      |                        |
| CONTACT PERSON AND TITLE: <u>James Karalus</u>   |  | TELEPHONE NO.: <u>(612)373-5307</u>  |                        |
| DO YOU CLAIM CONFIDENTIALITY OF DATA? ____ YES <input checked="" type="checkbox"/> NO ____ If Yes, state nature of data: _____ |  |                                      |                        |

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus TITLE: Manager Emissions

TYPE OR PRINT NAME OF SIGNER:

TELEPHONE NO.: 612-373-5307

DATE:

James Karalus

|                       |          |      |      |        |
|-----------------------|----------|------|------|--------|
| SCAQMD<br>USE<br>ONLY | GO ID NO | BOAT | ENGR | UNIT   |
|                       | COAT     | TYPE | DATE | STATUS |

|             |             |                 |               |
|-------------|-------------|-----------------|---------------|
| VALIDATION: | FILING FEE: | DATE:           | REGISTRAR NO: |
|             |             | APPLICATION NO: |               |

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE: ☐ NEW ☒ CHANGE OF TITLE ☐ ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_

EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
DATE OF REDUCTION (mo/day/year): \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

|  |     |     |     |    |      |
|--|-----|-----|-----|----|------|
| NAME AS IT APPEARS ON ERC CERTIFICATE: Multi Fuels Marketing |     |     |     |    |      |
| EXISTING ERC CERTIFICATE NO.: AQ002660                       | ROG | NOx | SOx | CO | PM10 |
| EXISTING EMITTANT AMOUNT (lbs/day)                           |     |     |     |    |      |
| ALTERED EMITTANT AMOUNT (lbs/day)                            |     |     |     |    | 2    |
| REMAINING EMITTANT AMOUNT (lbs/day)                          |     |     |     |    |      |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT: \_\_\_\_\_ COMPANY ID NO.: 411910737 ☐ IRS OR ☐ SOCIAL SECURITY NO. \_\_\_\_\_

**NRG Power Marketing Inc.**

EMISSION REDUCTION LOCATION: ADDRESS & STREET: \_\_\_\_\_  
CITY: \_\_\_\_\_ STATE: CA ZIP CODE: \_\_\_\_\_

BUSINESS MAILING ADDRESS: ADDRESS & STREET: 901 Marquette Avenue, Suite 2300  
CITY: Minneapolis STATE: MN ZIP CODE: 55402

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: 301 Vista Del Mar  
CITY: El Segundo STATE: CA ZIP CODE: 90245

NAME(S) OF OWNER/PRINCIPAL PARTNERS: NRG Power Marketing Inc.

CONTACT PERSON AND TITLE: James Karalus TELEPHONE NO.: (612)373-5307

DO YOU CLAIM CONFIDENTIALITY OF DATA? ☐ YES ☒ NO If Yes, state nature of data: \_\_\_\_\_

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus TITLE: Manager Emissions

TYPE OR PRINT NAME OF SIGNER: James Karalus TELEPHONE NO.: 612-373-5307 DATE: 1/11/00

|  |           |                  |      |        |
|--|-----------|------------------|------|--------|
| SCAOPD<br>USE<br>ONLY                    | GO ID NO. | REGISTRATION NO. | TYPE | STATUS |
| VALIDATION: _____ APPLICATION NO.: _____ |           |                  |      |        |



**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE: NEW ☒ CHANGE OF TITLE ☐ ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_

EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
DATE OF REDUCTION (mo/day/year): 1 / 1 / \_\_\_\_\_

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

NAME AS IT APPEARS ON ERC CERTIFICATE: Multifuels Marketing

| EXISTING ERC CERTIFICATE NO.: <u>AQ000951</u> | ROG | NOx | SOx | CO | PM10 |
|---|-----|-----|-----|----|------|
| EXISTING EMITTANT AMOUNT (lbs/day)            |     |     |     |    |      |
| ALTERED EMITTANT AMOUNT (lbs/day)             |     |     | 1   |    |      |
| REMAINING EMITTANT AMOUNT (lbs/day)           |     |     |     |    |      |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT: \_\_\_\_\_ COMPANY ID NO.: 411910737 ☐ IRS OR ☐ SOCIAL SECURITY NO. \_\_\_\_\_

NRG Power Marketing Inc.

EMISSION REDUCTION LOCATION: ADDRESS & STREET: PLACERITA 1  
CITY: Newhall STATE: CA ZIP CODE: 91321

BUSINESS MAILING ADDRESS: ADDRESS & STREET: 901 Marquette Avenue, Suite 2300  
CITY: Minneapolis STATE: MN ZIP CODE: 55402

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: 301 Vista Del Mar  
CITY: El Segundo STATE: CA ZIP CODE: 90245

NAME(S) OF OWNER/PRINCIPAL PARTNERS: NRG Power Marketing, Inc.

CONTACT PERSON AND TITLE: James Karalus, Manager Emissions TELEPHONE NO.: (612)373-5307

DO YOU CLAIM CONFIDENTIALITY OF DATA? YES ☒ NO ☐ If Yes, state nature of data: \_\_\_\_\_

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE:

TITLE: Manager Emissions

TYPE OR PRINT NAME OF SIGNER:

TELEPHONE NO.:

DATE:

James Karalus

612-373-5307

1-30-01

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE:       NEW   X  CHANGE OF TITLE       ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY:       Equipment Alteration       Equipment Removal       Mobile Source  
      Facility Out of Business       New APC Device       Process Change       Other, Explain:       

EQUIPMENT DESCRIPTION:        PERMIT/APPLICATION NO.:         
DATE OF REDUCTION (mo/day/year):        /        /       

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

|  |     |     |     |    |      |
|--|-----|-----|-----|----|------|
| NAME AS IT APPEARS ON ERC CERTIFICATE: Multi Fuels Marketing |     |     |     |    |      |
| EXISTING ERC CERTIFICATE NO.: AQ003264                       | ROG | NOx | SOx | CO | PM10 |
| EXISTING EMITTANT AMOUNT (lbs/day)                           |     |     |     |    |      |
| ALTERED EMITTANT AMOUNT (lbs/day)                            |     |     | 1   |    |      |
| REMAINING EMITTANT AMOUNT (lbs/day)                          |     |     |     |    |      |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT:        COMPANY ID NO.: 411910737        IRS OR        SOCIAL SECURITY NO.  
NRG Power Marketing Inc.

EMISSION REDUCTION LOCATION: ADDRESS & STREET: Pier A Berth 211  
CITY: Long Beach STATE: CA ZIP CODE: 90801

BUSINESS MAILING ADDRESS: ADDRESS & STREET: 901 Marquette Avenue, Suite 2300  
CITY: Minneapolis STATE: MN ZIP CODE: 55402

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: 301 Vista Del Mar  
CITY: El Segundo STATE: CA ZIP CODE: 90245

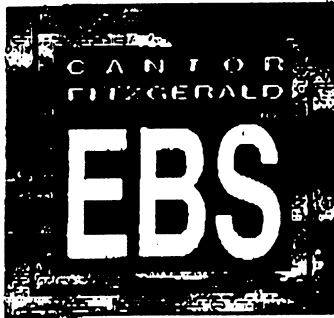
NAME(S) OF OWNER/PRINCIPAL PARTNERS: NRG Power Marketing, Inc.

CONTACT PERSON AND TITLE: James Karalus, Manager Emissions TELEPHONE NO.: (612)373-5307

DO YOU CLAIM CONFIDENTIALITY OF DATA? YES   X   NO        If Yes, state nature of data:       

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus TITLE: Manager Emissions  
TYPE OR PRINT NAME OF SIGNER: James Karalus TELEPHONE NO.: 612-373-5307 DATE: 1-30-01


**CANTOR FITZGERALD BROKERAGE, L. P.  
ENVIRONMENTAL BROKERAGE SERVICES**

Los Angeles/San Francisco/New York  
Phone (800) 228-2955 • Fax (415) 296-9582

**TRANSACTION CONFIRMATION  
CONTINUOUS CLEAN AIR AUCTION  
NRG-PM10-011701**

Buyer

*El Segundo Refinery*

**Company:** NRG Power Marketing Inc.  
901 Marquette Ave., Suite 2300  
Minneapolis, MN 55402

**Contact:** Jim Karalus

**Phone Number:** 612-373-5307; 612-889-3509 (cell)

**Fax Number:** 612-373-8686

**Order Date:** 01/17/01

**Transaction Date:** 01/17/01

**Type of Transaction:** SCAQMD PM10 ERC Purchase

**ERCs Purchased:** 3 lbs/day, Inland Zone, PM10 ERCs @ \$7,750/lb/day

**Balance due Cantor Fitzgerald:** \$24,432.54 (see schedule below for detail)

**Calculation of Purchase Price and Fees:**

|                                   |             |
|-----------------------------------|-------------|
| ERC Costs:                        | \$23,250.00 |
| Clean Air Auction Fee [REDACTED]: | [REDACTED]  |
| SCAQMD Fee: (Change of Title)     | \$368.79    |
| Total Costs:                      | [REDACTED]  |

*de Jim Karalus*

*The completion of the transaction defined by this Transaction Confirmation is contingent upon buyer's delivery of funds and ERC transfer paperwork and seller's delivery of ERCs and ERC transfer paperwork. Failure to deliver the funds, the ERCs per the Clean Air Auction Agreement, or the ERC transfer paperwork to CF within 4 business days of this Transaction Confirmation may result in a finding of default against the non-performing party.*

**Wiring Instructions:**

Please wire the **Total Cost** monies in the amount of \$24,432.54 to Cantor Fitzgerald per the following instructions:

Chase Manhattan Bank  
ABA 021-000-021  
Account # 066 293 375  
Attention: Cantor Fitzgerald Brokerage Concentration  
Reference: NRG-PM10-011701

**Thank You For Participating in Cantor Fitzgerald's Clean Air Auction!**

## AGREEMENT FOR PURCHASE AND SALE OF EMISSION REDUCTION CREDITS AND TRANSFER OF TITLE

THIS AGREEMENT is made this 18th day of January, 2001 by and between US Tile ("SELLER") and NRG Power Marketing, Inc. ("BUYER"). Through the Clean Air Auction, sponsored by Cantor Fitzgerald Brokerage, LP and subject to the terms and conditions included in the Clean Air Auction Representation Agreement executed by both parties, SELLER has sold to BUYER and BUYER has purchased from SELLER 3 pounds per day (lbs/day) of particulate matter with an aerodynamic size of 10 microns or less (PM10) emission reduction credits (ERCs) ("the PM10 ERCs"). The Purchase Price for the PM10 ERCs is \$23,250.00 and is calculated at a rate of \$7,750.00 per lb/day. After the PM10 ERCs are transferred to Buyer, in the event that the SCAQMD provides written notification to the parties that the PM10 ERCs were issued in error to Seller by the SCAQMD, Seller shall refund the respective Purchase Price to Buyer within 10 days of Seller's receipt of such notification. This document transfers all right, title, and interest in the PM10 ERCs from SELLER to BUYER. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument, and may be executed by facsimile copy. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

Executed as of the date first above written.

By [Signature]  
For US Tile, SELLER

Its PRESIDENT

Date: 1/18/01

By [Signature]  
For NRG Power Marketing, Inc., BUYER

Its Manoessa Emerson

Date: 2-4-01



NRG Power Marketing Inc.  
901 Marquette Avenue  
Suite 2300  
Minneapolis, MN  
55402-3285

Telephone (612) 373-5307  
Fax (612) 373-8886

January 31, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**PM10 ERC Sale/Cantor Fitzgerald Acting on  
Behalf of NRG Power Marketing Inc.**

Dear Mr. Barroca:

Please accept this package to transfer 3 pounds per day (lbs/day) of US Title's PM10 ERCs from Certificate number AQ000742 to NRG Power Marketing Inc. (NRG).

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of NRG in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package. Also, please provide to Cantor Fitzgerald documentation when the ERCs are transferred to NRG.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at (612) 373-5307.

Sincerely,

A handwritten signature in black ink that reads "Jim Karalus". The signature is fluid and cursive, with the first and last names being clearly legible.

Jim Karalus  
Manager Emissions

cc: Robin Langdon, Cantor Fitzgerald

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE: ☐ NEW ☒ CHANGE OF TITLE ☐ ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY: ☐ Equipment Alteration ☐ Equipment Removal ☐ Mobile Source  
☐ Facility Out of Business ☐ New APC Device ☐ Process Change ☐ Other, Explain: \_\_\_\_\_

EQUIPMENT DESCRIPTION: \_\_\_\_\_ PERMIT/APPLICATION NO.: \_\_\_\_\_  
DATE OF REDUCTION (mo/day/year): \_\_\_\_/\_\_\_\_/\_\_\_\_

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

NAME AS IT APPEARS ON ERC CERTIFICATE: **US Tile Company**

|   |     |     |     |    |          |
|---|-----|-----|-----|----|----------|
| EXISTING ERC CERTIFICATE NO.: <b>AQ000742</b> | ROG | NOx | SOx | CO | PM10     |
| EXISTING EMITTANT AMOUNT (lbs/day)            |     |     |     |    |          |
| ALTERED EMITTANT AMOUNT (lbs/day)             |     |     |     |    | <b>3</b> |
| REMAINING EMITTANT AMOUNT (lbs/day)           |     |     |     |    |          |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT: \_\_\_\_\_ COMPANY ID NO.: **411910737** ☐ IRS OR ☐ SOCIAL SECURITY NO. \_\_\_\_\_

**NRG Power Marketing Inc.**

EMISSION REDUCTION LOCATION: ADDRESS & STREET: **909 Railroad St.**  
CITY: **Corona** STATE: **CA** ZIP CODE: **91720**

BUSINESS MAILING ADDRESS: ADDRESS & STREET: **901 Marquette Ave., Suite 2300**  
CITY: **Minneapolis** STATE: **MN** ZIP CODE: **55402**

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: **301 Vista Del Mar**  
CITY: **El Segundo** STATE: **CA** ZIP CODE: **90245**

NAME(S) OF OWNER/PRINCIPAL PARTNERS: **NRG Power Marketing Inc.**

CONTACT PERSON AND TITLE: **James Karalus, Manager Emissions** TELEPHONE NO.: **(612) 373-5307**

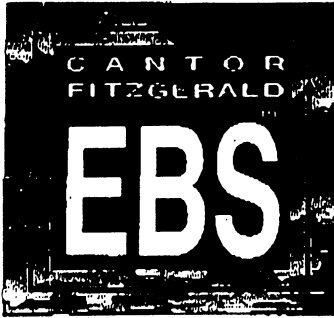
DO YOU CLAIM CONFIDENTIALITY OF DATA? ☐ YES ☒ NO If Yes, state nature of data: \_\_\_\_\_

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: *James Karalus* TITLE: **Manager Emissions**

TYPE OR PRINT NAME OF SIGNER: **James Karalus** TELEPHONE NO.: **(612) 373-5307** DATE: **1/31/01**

|                       |           |              |             |          |
|-----------------------|-----------|--------------|-------------|----------|
| SCAQMD<br>USE<br>ONLY | CO ID NO. | BCAT         | ENGR        | UNIT     |
|                       |           | CCAT         | TYPE: B C D | SCH/STEP |
| VALIDATION:           |           | FILING FEE:  |             | DATE:    |
| 11/604                |           | 0000 575 719 |             | 12       |
| 11/604                |           | 0000 575 719 |             | 12       |



**CANTOR FITZGERALD BROKERAGE, L. P.  
ENVIRONMENTAL BROKERAGE SERVICES**

Los Angeles/San Francisco/New York  
Phone (800) 228-2955 • Fax (415) 296-9582

**TRANSACTION CONFIRMATION  
CONTINUOUS CLEAN AIR AUCTION**

NRG-ERC-012400a

**Buyer**

*EI Sogun de  
Repower*

**Buyer Company:** NRG Power Marketing Inc.  
901 Marquette Ave., Suite 2300  
Minneapolis, MN 55402

**Contact:** Jim Karalus

**Phone Number:** 612-373-5307; 612-889-3509 (cell)

**Fax Number:** 612-373-8686

**Seller Company:** Multi Fuels Marketing

**Order and Transaction Date:** 1/24/01

**Type of Transaction:** SCAQMD PM10 ERC Purchase

**ERCs Purchased:** 5 lbs/day, Coastal Zone, PM10 ERCs @ \$13,750/lb/day

**Total Monies Due CF:** \$71,893.83

**Calculation of Purchase Price and Fees:**

|   |                           |
|---|---------------------------|
| ERC Costs:                                  | \$68,750.00               |
| Clean Air Auction Fee [REDACTED]:           | [REDACTED]                |
| SCAQMD Fees – 2 x \$368.79 (paid by Buyer): | \$737.58                  |
| Total Costs:                                | [REDACTED] <i>ok JimK</i> |

*The completion of the transaction defined by this Transaction Confirmation is contingent upon buyer's delivery of funds and ERC transfer paperwork and seller's delivery of ERCs and ERC transfer paperwork. Buyer's failure to deliver the funds or Seller's failure to deliver the ERC transfer paperwork to CF within 4 business days of this Transaction Confirmation may result in a finding of default against the non-performing party.*

**Thank You For Participating in Cantor Fitzgerald's Clean Air Auction!**

**AGREEMENT FOR PURCHASE AND SALE OF  
EMISSION REDUCTION CREDITS AND TRANSFER OF TITLE**

THIS AGREEMENT is made this 24th day of January 2001 by and between MULTI FUELS MARKETING (SELLER) and NRG POWER MARKETING, INC. (BUYER). Through the Clean Air Auction, sponsored by Cantor Fitzgerald Brokerage, LP and subject to the terms and conditions included in the Clean Air Auction Representation Agreement executed by both parties, SELLER has sold to BUYER and BUYER has purchased from SELLER 5 pounds per day (lbs/day) of particulate matter with an aerodynamic diameter of 10 microns or less (PM10) emission reduction credits (ERCs) ("the PM10 ERCs"), which are derived from former ERC Certificate Numbers AQ000013 and AQ000022 as issued by the South Coast Air Quality Management District ("SCAQMD") and defined by SCAQMD Regulation XIII. SELLER warrants the following: (a) SELLER is the sole owner of record of the PM10 ERCs that will be transferred to BUYER free and clear of all encumbrances; and (b) SELLER has all necessary approvals to sell the PM10 ERCs to BUYER. The Purchase Price for the PM10 ERCs is \$68,750 calculated at a rate of \$13,750 for the Coastal Zone PM10 ERCs. After the PM10 ERCs are transferred to BUYER, in the event that the SCAQMD provides written notification to the parties that the PM10 ERCs were issued in error to SELLER by the SCAQMD, SELLER shall refund the Purchase Price to BUYER within 10 days of SELLER's receipt of such notification. This document transfers all right, title, and interest in the PM10 ERCs from SELLER to BUYER. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument, and may be executed by facsimile copy. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

Executed as of the date first above written.

By TRR

For MULTI FUELS MARKETING  
SELLER

Its T Yador

Date: 2/13/01

By Jim Karaluk

For NRG POWER MARKETING, INC.  
BUYER

Its Manager Emission

Date: 2/8/01





NRG Power Marketing Inc.  
901 Marquette Avenue  
Suite 2300  
Minneapolis, MN  
55402-3265

Telephone (612) 373-5307  
Fax (612) 373-8686

February 8, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, California 91765-4182

**PM10 ERC Sale/Cantor Fitzgerald Acting on  
Behalf of NRG Power Marketing Inc.**

Dear Mr. Barroca:

Please accept this package to transfer 5 pounds per day (lbs/day) of Multi Fuels Marketing Company's PM10 ERCs from Certificate number AQ00003 and AQ00 1622 to NRG Power Marketing Inc. (NRG).

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of NRG in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package. Also, please provide to Cantor Fitzgerald documentation when the ERCs are transferred to NRG.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at (612) 373-5307.

Sincerely,

A handwritten signature in black ink that reads "Jim Karalus". The signature is fluid and cursive, with the first and last names being clearly legible.

Jim Karalus  
Manager Emissions

cc: Robin Langdon, Cantor Fitzgerald

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE:        NEW   X   CHANGE OF TITLE        ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY:        Equipment Alteration        Equipment Removal        Mobile Source  
       Facility Out of Business        New APC Device        Process Change        Other, Explain:       

EQUIPMENT DESCRIPTION:        PERMIT/APPLICATION NO.:         
DATE OF REDUCTION (mo/day/year):        /        /       

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

NAME AS IT APPEARS ON ERC CERTIFICATE: **Multi Fuels Marketing**

|  |     |     |     |    |          |
|--|-----|-----|-----|----|----------|
| EXISTING ERC CERTIFICATE NO.: formerly <b>AQ001022</b> | ROG | NOx | SOx | CO | PM10     |
| EXISTING EMITTANT AMOUNT (lbs/day)                     |     |     |     |    |          |
| ALTERED EMITTANT AMOUNT (lbs/day)                      |     |     |     |    | <b>3</b> |
| REMAINING EMITTANT AMOUNT (lbs/day)                    |     |     |     |    |          |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT: **NRG Power Marketing Inc.** COMPANY ID NO.: **411910737**        IRS OR        SOCIAL SECURITY NO.

EMISSION REDUCTION LOCATION: ADDRESS & STREET: **1221 E. Saint Andrews Place**  
CITY: **Santa Ana** STATE: **CA** ZIP CODE: **92707**

BUSINESS MAILING ADDRESS: ADDRESS & STREET: **901 Marquette Avenue, Suite 2300**  
CITY: **Minneapolis** STATE: **MN** ZIP CODE: **55402**

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: **301 Vista Del Mar**  
CITY: **El Segundo** STATE: **CA** ZIP CODE: **90245**

NAME(S) OF OWNER/PRINCIPAL PARTNERS: **NRG Power Marketing Inc.**

CONTACT PERSON AND TITLE: **James Karalus, Manager Emissions** TELEPHONE NO.: **(612)373-5307**

DO YOU CLAIM CONFIDENTIALITY OF DATA?        YES   X   NO If Yes, state nature of data:       

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus TITLE: **Manager Emissions**

TYPE OR PRINT NAME OF SIGNER: **James Karalus** TELEPHONE NO.: **(612)373-5307** DATE: **7/22/01**

|                       |           |      |      |      |
|-----------------------|-----------|------|------|------|
| SCAQMD<br>USE<br>ONLY | CO ID NO. | BCAT | ENGR | UNIT |
| CCAT                  | TYPE      | BB   | C    | DY   |
| SCH/STEP              | STATUS    |      |      |      |

VALIDATION:        FILING FEE:        DATE:        REGISTRATION NO.:

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
APPLICATION FOR EMISSION REDUCTION CREDIT (ERC) CERTIFICATE OF TITLE  
FORM 401**

ERC APPLICATION TYPE:        NEW   X   CHANGE OF TITLE        ALTERATION

**INFORMATION REQUIRED FOR A NEW ERC**

EMISSION REDUCTION OBTAINED BY:        Equipment Alteration        Equipment Removal        Mobile Source  
       Facility Out of Business        New APC Device        Process Change        Other, Explain:       

EQUIPMENT DESCRIPTION:        PERMIT/APPLICATION NO.:         
DATE OF REDUCTION (mo/day/year):        /        /       

**INFORMATION FOR CHANGE OF TITLE OR ALTERATION**

|   |     |     |     |    |          |
|---|-----|-----|-----|----|----------|
| NAME AS IT APPEARS ON ERC CERTIFICATE: <b>Multi Fuels Marketing</b> |     |     |     |    |          |
| EXISTING ERC CERTIFICATE NO.: formerly <b>AQ000013</b>              | ROG | NOx | SOx | CO | PM10     |
| EXISTING EMITTANT AMOUNT (lbs/day)                                  |     |     |     |    |          |
| ALTERED EMITTANT AMOUNT (lbs/day)                                   |     |     |     |    | <b>2</b> |
| REMAINING EMITTANT AMOUNT (lbs/day)                                 |     |     |     |    |          |

**FACILITY INFORMATION**

LEGAL NAME OF APPLICANT:        COMPANY ID NO.: **411910737**        IRS OR        SOCIAL SECURITY NO.  
**NRG Power Marketing Inc.**

EMISSION REDUCTION LOCATION: ADDRESS & STREET: **16236 S. Illinois Ave.**  
CITY: **Paramount** STATE: **CA** ZIP CODE: **90723**

BUSINESS MAILING ADDRESS: ADDRESS & STREET: **901 Marquette Avenue, Suite 2300**  
CITY: **Minneapolis** STATE: **MN** ZIP CODE: **55402**

LOCATION WHERE ERC WILL BE USED FOR OFFSET (IF KNOWN): ADDRESS & STREET: **301 Vista Del Mar**  
CITY: **El Segundo** STATE: **CA** ZIP CODE: **90245**

NAME(S) OF OWNER/PRINCIPAL PARTNERS: **NRG Power Marketing Inc.**

CONTACT PERSON AND TITLE: **James Karalus, Manager Emissions** TELEPHONE NO.: **(612)373-5307**

DO YOU CLAIM CONFIDENTIALITY OF DATA?        YES   X   NO If Yes, state nature of data:       

I HEREBY CERTIFY, UNDER PENALTY OF PERJURY, THAT ALL INFORMATION CONTAINED HEREIN AND INFORMATION SUBMITTED WITH THIS APPLICATION ARE TRUE AND CORRECT.

SIGNATURE: James Karalus TITLE: **Manager Emissions**

TYPE OR PRINT NAME OF SIGNER: **James Karalus** TELEPHONE NO.: **(612)373-5307** DATE: **2/02/01**

|                       |           |      |            |          |
|-----------------------|-----------|------|------------|----------|
| SCAQMD<br>USE<br>ONLY | CO ID NO. | BCAT | ENGR       | UNIT     |
|                       |           | CCAT | TYPE B C D | SCH/STEP |
|                       |           |      |            | STATUS   |

VALIDATION:        FILING FEE:        DATE:        REGISTRATION NO.:


**CANTOR FITZGERALD BROKERAGE, L. P.  
ENVIRONMENTAL BROKERAGE SERVICES**

Los Angeles/San Francisco/New York  
Phone (800) 228-2955 • Fax (415) 296-9582

**REVISED TRANSACTION CONFIRMATION  
CONTINUOUS CLEAN AIR AUCTION**

NRG-NOxERC-020101

**Buyer**

(replaces NRG-NOxERC-020101 - new quantity)

**Company:**

NRG Power Marketing Inc.

901 Marquette Ave., Suite 2300

Minneapolis, MN 55402

EC Sogunda  
Repowering

**Contact:**

Jim Karalus

**Phone Number:**

612-373-5307; 612-889-3509 (cell)

**Fax Number:**

612-373-8686

**Order Date:**

2/01/01

**Transaction Date:**

2/01/01

**Type of Transaction:**

SCAQMD NOx ERC Purchase

**ERCs Purchased:**

20 lbs/day, Coastal Zone, NOx ERCs @ \$6,000 /lb/day

**Balance due Cantor  
Fitzgerald:**

\$124,568.79 (see schedule below for detail)

**Calculation of Purchase Price and Fees:**

ERC Costs:

\$120,000.00

SCAQMD ERC Change of Title Fee

\$368.79

Clean Air Auction Fee (██████):

██████████

Total Costs:

██████████

or June K

*The completion of the transaction defined by this Transaction Confirmation is contingent upon the performance of the Seller. Buyer and Seller shall deliver executed ERC order forms, Buyer shall deliver funds and ERC transfer paperwork, and Seller shall deliver ERCs and ERC transfer paperwork. Either party's failure to deliver executed ERC order forms, Buyer's failure to deliver the funds or Seller's failure to deliver the ERC transfer paperwork to CF within 4 business days of this Transaction Confirmation may result in a finding of default against the non-performing party.*

**Wiring Instructions:**

Please wire the **Total Cost** monies in the amount of \$124,200 to Cantor Fitzgerald per the following instructions:

Chase Manhattan Bank

ABA 021-000-021

Account # 066 293 375

Attention: Cantor Fitzgerald Brokerage Concentration

Reference: NRG-NOx-020101

and please send a check payable to the SCAQMD in the amount of \$368.79 to the San Francisco office.

**Thank You For Participating in Cantor Fitzgerald's Clean Air Auction!**

# AGREEMENT FOR PURCHASE AND SALE OF EMISSION REDUCTION CREDITS AND TRANSFER OF TITLE

THIS AGREEMENT is made this 5th day of February, 2001 by and between Union Carbide Corporation ("SELLER") and NRG Power Marketing Inc.. ("BUYER"). Through the Clean Air Auction, sponsored by Cantor Fitzgerald Brokerage, LP and subject to the terms and conditions included in the Clean Air Auction Representation Agreement executed by both parties, SELLER has sold to BUYER and BUYER has purchased from SELLER 20 pounds per day (lbs/day) of nitrogen oxides (NOx) emission reduction credits (ERCs) ("the NOx ERCs"). The Purchase Price for the NOx ERCs is \$120,000 and is calculated at a rate of \$6,000.00 per lb/day. After the NOx ERCs are transferred to Buyer, in the event that the SCAQMD provides written notification to the parties that the NOx ERCs were issued in error to Seller by the SCAQMD, Seller shall refund the respective Purchase Price to Buyer within 10 days of Seller's receipt of such notification. This document transfers all right, title, and interest in the NOx ERCs from SELLER to BUYER. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall constitute the same instrument, and may be executed by facsimile copy. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA.**

Executed as of the date first above written.

By Kurt A. Heringhausen  
For Union Carbide Corporation, SELLER

By \_\_\_\_\_  
For NRG Power Marketing Inc., BUYER

Its GENERAL MANAGER - INVESTMENT RECOVERY

Its \_\_\_\_\_

Date: 26-01

Date: \_\_\_\_\_



UNION CARBIDE CORPORATION  
Investment Recovery Department  
PO Box 8381, South Charleston, WV 25303

**EQ**  
excellence  
through quality

February 6, 2001

Mr. Phil Barroca  
South Coast Air Quality Management District  
21865 E. Copley Drive  
Diamond Bar, CA 91765-4182

Subject: NOx ERC Sale  
Cantor Fitzgerald Acting on Behalf of Union Carbide Corporation

Mr. Barroca:

Please accept this package to transfer twenty (20) pounds per day (lbs/day) of Union Carbide Corporation's (UCC's) NOx ERCs from ERC Certificate Number AQ002201 to NRG Power Marketing, Inc.

Please note that Cantor Fitzgerald is hereby authorized to act on behalf of UCC in the processing of the ERC transfer. Please provide to Cantor Fitzgerald a receipt acknowledging your acceptance of this transfer package.

Thank you for your timely response to our ERC transfer request. If any questions arise, please feel free to call me at 304/747-3260.

Best regards,

Kurt Heringhausen  
General Manager – Investment Recovery

Copy: Ms. Robin Langdon - Cantor Fitzgerald  
Mr. Bob Robinson - UCC